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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/339,325	06/23/1999	YOAV SHOHAM	003660.P001X	2458

7590 02/08/2002

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EXAMINER

YOUNG, JOHN L

ART UNIT	PAPER NUMBER
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2162

DATE MAILED: 02/08/2002

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Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/339,325

Applicant(s)

Shoham et al.

Examiner

John Young

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on Jan 24, 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-7, 9-13, and 15-23 is/are pending in the application.
- 4a) Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-7, 9-13, and 15-23 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claims \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. § 119

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).
- a) ☐ All b) ☐ Some\* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \*See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

## Attachment(s)

- 15) ☐ Notice of References Cited (PTO-892) 18) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 16) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 19) ☐ Notice of Informal Patent Application (PTO-152)
- 17) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s). \_\_\_\_\_ 20) ☐ Other:

Serial Number: 09/339,325

(Shoham et al.)

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**REQUEST FOR CONTINUED EXAMINATION (RCE)**

1. **The request for continued examination (RCE) filed on 01/24/2002 under 37 CFR 1.114 based on parent Application No. 09/339,325 is acceptable and an RCE has been established. An action on the RCE follows:**

2. **Claims 1-7, 9-13 & 15-22 are pending.**

**DRAWINGS**

3. This application has been filed with drawings that are acceptable for examination and publication purposes. The review process for drawings that are included with applications on filing has been modified in view of the new requirement to publish applications at eighteen months after the filing date of applications, or any priority date claimed under 35 U.S.C. §§119, 120, 121, or 365.

**CLAIM REJECTIONS — 35 U.S.C. §112 ¶2**

4. **Rejections Withdrawn for claims 11-13.**

**NEW CLAIM REJECTIONS**

**CLAIM REJECTIONS — 35 U.S.C. §103(a)**

The following is a quotation of 35 U.S.C. §103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Independent claims 1, 15 & 22 and dependent claims 2-7 & 23 are rejected under 35 U.S.C. §103(a) as being unpatentable over Franklin et al. 6,055,518 (04/25/2000) [f/d: 11/12/1996] (herein referred to as "Franklin").

As per claim 1, Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-28; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) shows elements that suggest a "universal auction system having a programmable auction server, the programmable auction server comprising: a plurality of auction modules wherein at least one auction module corresponds to at least one function of an auction selected from the group consisting of a bid verifier, an information manager, a clearer, a registration manager . . . and a proxy bidder. . . ."

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Franklin (col. 4, ll. 18-29; and col. 5, ll. 58-64) shows elements that suggest “a bid transformer . . . the bid transformer to implement at least one of a predetermined set of discriminating allocation market protocols.”

Franklin does not explicitly show “a proxy bidder. . .” even though Franklin (col. 4, ll. 11-15) suggests “a proxy bidder.”

It would have been obvious to a person of ordinary skill in the art of on-line auctions that Franklin's “*identity of a . . . bidder [is] not revealed. . .*” (See Franklin col. 4, ll. 11-15) would have been selected in accordance with “a proxy bidder. . .” because such security measures would have provided a means to optimize secrecy. (See Franklin col. 4, ll. 11-15).

As per claim 2, Franklin shows the system of claim 1. (See the rejection of claim 1 supra).

Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-29; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 5, ll. 58-64 col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) shows elements that suggest “auction modules wherein at least one auction specification module performs at least one transaction selected from the group consisting of a bid verification transaction, an information management transaction, a clearing transaction, a bid transformation transaction, and a registration transaction.”

Franklin does not explicitly show “auction modules wherein at least one auction specification module performs at least one transaction selected from the group consisting

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of a bid verification transaction, an information management transaction, a clearing transaction, a bid transformation transaction, and a registration transaction. . . .”even though Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-29; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 5, ll. 58-64 col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) suggests same.

It would have been obvious to a person of ordinary skill in the art of on-line auctions that the disclosure of Franklin’s (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-29; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 5, ll. 58-64 col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) would have been selected in accordance with “auction modules wherein at least one auction specification module performs at least one transaction selected from the group consisting of a bid verification transaction, an information management transaction, a clearing transaction, a bid transformation transaction, and a registration transaction. . . .” because such measures would have provided means for implementing an on-line auction network. (See Franklin col. 2, ll. 1-3; and col. 3, ll. 1-50).

As per dependent claim 3, Franklin shows the system of claim 1 (See the rejection of claim 1 supra).

Franklin (FIG. 1; FIG. 2; col. 2, ll. 60-67; col. 3, ll. 1-2; col. 3, ll. 4-50; col. 4, ll. 35-50; col. 5, ll. 5-12; and col. 6, ll. 38-42) shows elements that suggest “a set of trading primitives; a script interpreter for interpreting a temporal protocol script representing an

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auction specification, the script including references to at least a portion of the set of trading primitives; and means for switching an auction specification of one phase with an auction specification of another phase.”

Franklin does not explicitly show “means for switching an auction specification of one phase with an auction specification of another phase. . . .” even though Franklin (col. 3, ll. 4-50) suggests “means for switching an auction specification of one phase with an auction specification of another phase. . . .”

It would have been obvious to a person of ordinary skill in the art of on-line auctions that Franklin's “*auction typically consists of two phases. . . . At some point the bidding period is closed, thus initiating the second phase. . . .*” (See Franklin col. 3, ll. 3-10) would have been selected in accordance with “means for switching an auction specification of one phase with an auction specification of another phase. . . .” because such switching measures would have “guaranteed that no bid is revealed prior to the close of the bidding period.” (See Franklin col. 2, ll. 1-2).

As per dependent claim 4, Franklin shows the system of claim 3 (See the rejection of claim 3 supra).

Franklin (FIG. 1; FIG. 2; col. 2, ll. 60-67; col. 3, ll. 1-2; col. 3, ll. 4-10) shows elements that suggest “at least one auction module of one phase is replaced with at least one auction module of another phase.”

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Franklin does not explicitly show “at least one auction module of one phase is replaced with at least one auction module of another phase. . . .” even though Franklin (FIG. 1; FIG. 2; col. 2, ll. 60-67; col. 3, ll. 1-2; col. 3, ll. 4-10) suggests “at least one auction module of one phase is replaced with at least one auction module of another phase.”

It would have been obvious to a person of ordinary skill in the art of on-line auctions that Franklin’s “*communications links and switching processors. . . .*” would have been selected in accordance with “at least one auction module of one phase is replaced with at least one auction module of another phase. . . .” because such switching measures would have provided means for a secure on-line auction network. (See Franklin col. 2, ll. 1-3).

As per dependent claim 5, Franklin shows the system of claim 1 (See the rejection of claim 1 supra).

Franklin (col. 3, ll. 4-58) shows elements that suggest “at least one phase comprising an interval in which at least one transaction occurs, the transaction is selected from the group comprising submitting a bid, admitting a bid, withdrawing a bid, and replacing a bid.”

Franklin does not explicitly show “replacing a bid. . . .” even though Franklin (col. 3, ll. 4-58) suggests “replacing a bid.”



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It would have been obvious to a person of ordinary skill in the art of on-line auctions that Franklin's "*insert a bid. . . .*" would have been selected in accordance with "replacing a bid. . . ." because such measures would have provided means for implementing an on-line auction network. (See Franklin col. 2, ll. 1-3; and col. 3, ll. 1-50).

As per dependent claim 6, Franklin shows the method of claim 5 (See the rejection of claim 5 supra).

Franklin (col. 4, ll. 1-6; and col. 3, ll. 4-14) shows elements that suggest "wherein the phase is terminated by a condition."

Franklin does not explicitly show "wherein the phase is terminated by a condition. . . ." even though Franklin (col. 4, ll. 1-6; and col. 3, ll. 4-14) suggests "wherein the phase is terminated by a condition."

It would have been obvious to a person of ordinary skill in the art of on-line auctions that Franklin's (col. 4, ll. 1-6; and col. 3, ll. 4-14) "*Validity . . . conditions. . . .*" and "*two phases. . . .*" would have been selected in accordance with "wherein the phase is terminated by a condition. . . ." because such conditions would have facilitated complex on-line financial transactions, such as sealed bid auctions. (See Franklin col. 1, ll. 16-56).

As per dependent claim 7, Franklin shows the method of claim 6 (See the rejection of claim 5 supra).

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Franklin (col. 4, ll. 1-6; and col. 3, ll. 4-14) shows elements that suggest “wherein the condition is a time period.”

Franklin does not explicitly show “wherein the condition is a time period. . . .” even though Franklin (col. 4, ll. 1-6; and col. 3, ll. 4-14) suggests same.

It would have been obvious to a person of ordinary skill in the art of on-line auctions that Franklin (col. 4, ll.1-6; and col. 3, ll. 4-14) “*Validity . . . conditions. . . .*”; “*two phases. . . .*”; and “*the end of the bidding period. . . .*” would have been selected in accordance with “wherein the condition is a time period. . . .” because such conditions would have facilitated complex on-line financial transactions, such as sealed bid auctions. (See Franklin col. 1, ll. 16-56).

As per claim 15, Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-28; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) shows elements that suggest a “method of designing a universal auction system comprising: generating a plurality of auction modules in a programmable auction server, wherein at least one auction module corresponds to at least one function of an auction selected from the group consisting of a bid verifier, an information manager, a clearer, and a registration manager . . .

Franklin (col. 3, line 12) shows a “*deterministic rule. . . .*”

Franklin (col. 4, ll. 18-29; and col. 5, ll. 58-64) shows elements that suggest “implementing at least one transaction selected from the group consisting of a bid

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verification, and a bid transformation, wherein the bid transformation is based upon one of a predetermined set of discriminating allocation market protocols.”

Franklin lacks an explicit recital of “implementing at least one transaction selected from the group consisting of a bid verification, and a bid transformation, wherein the bid transformation is based upon one of a predetermined set of discriminating allocation market protocols. . . .” even though Franklin (col. 4, ll. 18-29; and col. 5, ll. 58-64) suggests same.

It would have been obvious at the time the invention was made to a person having ordinary skill in the art that the disclosure of Franklin (col. 4, ll. 18-29; and col. 5, ll. 58-64) would have been selected in accordance with “implementing at least one transaction selected from the group consisting of a bid verification, and a bid transformation, wherein the bid transformation is based upon one of a predetermined set of discriminating allocation market protocols. . . .” because such measures would have provided means for implementing an on-line auction network. (See Franklin col. 2, ll. 1-3; and col. 3, ll. 1-50).

As per claim 22, Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-29; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 5, ll. 58-64 col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) shows elements that suggest “a programmable auction server which includes a bid transformer that implements arbitrarily established discriminating allocation market protocols specified by at least one trading primitive, a bid

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verifier that determines acceptable bids, and a script interpreter for interpreting script protocol; a market specification console, connected to the programmable auction server during a network interaction, adapted to support a plurality of discriminating allocation market protocols, and the market specification console includes a script generator for translating trading primitives to temporal protocol script.”

Franklin does not explicitly show “a programmable auction server which includes a bid transformer that implements arbitrarily established discriminating allocation market protocols specified by at least one trading primitive, a bid verifier that determines acceptable bids, and a script interpreter for interpreting script protocol; a market specification console, connected to the programmable auction server during a network interaction, adapted to support a plurality of discriminating allocation market protocols, and the market specification console includes a script generator for translating trading primitives to temporal protocol script. . . .”even though Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-29; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 5, ll. 58-64 col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) suggests same.

It would have been obvious to a person of ordinary skill in the art of on-line auctions that the disclosure of Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-29; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 5, ll. 58-64 col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) would have been selected in accordance with “a programmable auction server which includes a bid transformer that implements arbitrarily established discriminating allocation market protocols specified by at least one trading

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primitive, a bid verifier that determines acceptable bids, and a script interpreter for interpreting script protocol; a market specification console, connected to the programmable auction server during a network interaction, adapted to support a plurality of discriminating allocation market protocols, and the market specification console includes a script generator for translating trading primitives to temporal protocol script. . . .” because such measures would have provided means for implementing an on-line auction network. (See Franklin col. 2, ll. 1-3; and col. 3, ll. 1-50).

As per dependent claim 23, Franklin shows the system of claim 22 (See the rejection of claim 22 supra).

Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-29; col. 5, ll. 5-12; col. 5, ll. 32-36; col. 5, ll. 58-64 col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34) shows elements that suggest “wherein the market specification console is coupled to a programmable auction server in which the programmable auction server is adapted to receive market protocols from the market specification console, the market specification console having a graphic user interface.”

Franklin lacks an explicit recital of “wherein the market specification console is coupled to a programmable auction server in which the programmable auction server is adapted to receive market protocols from the market specification console, the market specification console having a graphic user interface. . . .” even though Franklin (the ABSTRACT; FIG. 1; col. 2, ll. 21-36; col. 3, ll. 4-50; col. 4, ll. 18-29; col. 5, ll. 5-12; col.

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5, ll. 32-36; col. 5, ll. 58-64 col. 6, ll. 38-42; col. 9, ll. 22-52; and col. 11, ll. 25-34)

suggests same.

“Official Notice” is taken that both the concept and the advantages of “wherein the market specification console is coupled to a programmable auction server in which the programmable auction server is adapted to receive market protocols from the market specification console, the market specification console having a graphic user interface.”

Said concept and advantages were well known and expected in the art by one of ordinary skill at the time of the invention. It would have been obvious to include “wherein the market specification console is coupled to a programmable auction server in which the programmable auction server is adapted to receive market protocols from the market specification console, the market specification console having a graphic user interface. . . .” because such concepts and advantages would have provided means to *“facilitate the exchange of several hundred million shares of stock every business day.”* (See Minton (col. 1, ll. 15-23)).

6. Dependent claims 9-13 and 16-21 are rejected under 35 U.S.C. §103(a) as being unpatentable over Franklin in view of Minton 6,014,643 (01/11/2000) [f/d: 08/26/1996] (herein referred to as “Minton”).

As per claim 9, Franklin in view of Minton shows the system of claim 22 (See the rejection of claim 22 supra).

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Franklin (col. 3, line 12) shows a “*deterministic rule. . .*”

Franklin does not explicitly show “the market specification console further comprising a plurality of rules wherein at least one rule is user-modifiable.”

Minton (FIG. 5, el. 516; FIG. 6, el. 628, and el. 610; FIG. 7; FIG. 10; and FIG. 11) shows elements that suggest “the market specification console further comprising a plurality of rules wherein at least one rule is user-modifiable.”

Minton proposes “user-modifiable” rule modifications that would have applied to the on-line auction system of Franklin. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to add the “user-modifiable” rule modifications to Franklin, because addition of such modifications would have provided a means “*whereby individuals can buy and sell directly from each other. . .*” (See Minton col. 2, ll. 46-57).

As per claim 10, Franklin in view of Minton shows the system of claim 9 (See the rejection of claim 9 *supra*).

Franklin does not explicitly show “wherein rules comprise market protocols.”

Minton (FIG. 5; FIG. 6; FIG. 7; FIG. 10; and FIG. 11) shows elements that suggest “wherein rules comprise market protocols.”

Minton proposes market protocol modifications that would have applied to the on-line auction system of Franklin. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to add the market protocol modifications

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to Franklin, because addition of such modifications would have provided a means  
“*whereby individuals can buy and sell directly from each other. . . .*” (See Minton col. 2,  
ll. 46-57).

As per claim 11, Franklin in view of Minton shows the system of claim 22 (See the  
rejection of claim 22 *supra*).

Franklin (FIG. 1; and col. 2, ll. 60-67) shows elements that suggest “a  
programmable auction server.”

Franklin does not explicitly show “wherein the market specification console is  
coupled to a programmable auction server wherein said programmable auction server is  
adapted to receive market protocols from said market specification console, the market  
specification console having a graphic user interface (GUI).”

Minton (FIG. 1; FIG. 2; FIG. 3; FIG. 4; FIG. 5; FIG. 6; FIG. 7; FIG. 10; and FIG.  
11) shows elements that suggest “wherein the market specification console is coupled to a  
programmable auction server wherein said programmable auction server is adapted to  
receive market protocols from said market specification console, the market specification  
console having a graphic user interface (GUI).”

Minton proposes market specification console modifications that would have  
applied to the on-line auction system of Franklin. It would have been obvious at the time  
the invention was made to a person having ordinary skill in the art to add the market  
specification console modifications to Franklin, because addition of such modifications



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would have provided a means “*whereby individuals can buy and sell directly from each other. . . .*” (See Minton col. 2, ll. 46-57).

As per claim 12, Franklin in view of Minton shows the system of claim 11 (See the rejection of claim 11 supra).

Franklin (FIG. 1; col. 2, ll. 60-67; and col. 3, ll. 1-3) shows elements that suggest “wherein a trader interface is coupled to a network.”

Franklin does not explicitly show “wherein a trader interface is coupled to a network. . . .” even though Franklin (FIG. 1; col. 2, ll. 60-67; and col. 3, ll. 1-3) suggests “wherein a trader interface is coupled to a network.”

It would have been obvious to a person of ordinary skill in the art of on-line auctions that Franklin’s (FIG. 1; col. 2, ll. 60-67; and col. 3, ll. 1-3) “*auction system 100 . . . can be a network. . . .*” would have been selected in accordance with “wherein a trader interface is coupled to a network. . . .” because such a network would have facilitated complex on-line financial transactions, such as sealed bid auctions. (See Franklin col. 1, ll. 16-56).

As per claim 13, Franklin in view of Minton shows the system of claim 12 (See the rejection of claim 12 supra).

Franklin (col. 3, ll. 4-58) shows elements that suggest submitting a bid.

Franklin (FIG. 1; col. 2, ll. 60-67; and col. 3, ll. 1-3) shows elements that suggest

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“a trader interface is coupled to a network.”

Franklin does not explicitly show “a trader interface is coupled to a network. . . .” even though Franklin (FIG. 1; col. 2, ll. 60-67; and col. 3, ll. 1-3) suggests same.

It would have been obvious to a person of ordinary skill in the art of on-line auctions that Franklin's (FIG. 1; col. 2, ll. 60-67; and col. 3, ll. 1-3) “*auction system 100 . . . can be a network. . . .*” would have been selected in accordance with “a trader interface is coupled to a network. . . .” because such a network would have facilitated complex on-line financial transactions, such as sealed bid auctions. (See Franklin col. 1, ll. 16-56).

As per claim 16, Franklin in view of Minton shows the system of claim 15 (See the rejection of claim 15 supra).

Franklin (col. 3, line 12) shows a “*deterministic rule. . . .*”

Franklin does not explicitly show “displaying a rule to a market designer.”

Minton (FIG. 5, el. 516; FIG. 6, el. 628, and el. 610; FIG. 7; FIG. 10; and FIG. 11) shows elements that suggest “displaying a rule to a market designer.”

Minton proposes rule display modifications that would have applied to the on-line auction system of Franklin. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to add the rule display modifications to Franklin, because addition of such modifications would have provided a means “*whereby individuals can buy and sell directly from each other. . . .*” (See Minton col. 2, ll. 46-57).

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As per claim 17, Franklin in view of Minton shows the system of claim 15 (See the rejection of claim 15 supra).

Franklin (col. 3, line 12) shows a “*deterministic rule. . .*”

Franklin does not explicitly show “modifying at least one rule.”

Minton (FIG. 5, el. 516; FIG. 6, el. 628, and el. 610; FIG. 7; FIG. 10; and FIG. 11) shows elements that suggest “modifying at least one rule.”

Minton proposes rule modifications that would have applied to the on-line auction system of Franklin. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to add the rule modifications to Franklin, because addition of such modifications would have provided a means “*whereby individuals can buy and sell directly from each other. . .*” (See Minton col. 2, ll. 46-57).

As per claim 18, Franklin in view Minton shows the system of claim 15 (See the rejection of claim 15 supra).

Franklin (col. 3, line 12) shows a “*deterministic rule. . .*”

Franklin does not explicitly show “interpreting a scripted rule.”

Minton (FIG. 5, el. 516; FIG. 6, el. 628, and el. 610; FIG. 7; FIG. 10; and FIG. 11) shows elements that suggest “interpreting a scripted rule.”

Minton proposes rule modifications that would have applied to the on-line auction system of Franklin. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to add the rule modifications to Franklin, because addition of such

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modifications would have provided a means “*whereby individuals can buy and sell directly from each other. . . .*” (See Minton col. 2, ll. 46-57).

As per claim 19, Franklin in view of Minton shows the system of claim 15 (See the rejection of claim 15 supra).

Franklin (col. 3, line 12) shows a “*deterministic rule. . . .*”

Franklin does not explicitly show “generating a scripted rule.”

Minton (FIG. 5, el. 516; FIG. 6, el. 628, and el. 610; FIG. 7; FIG. 10; and FIG. 11) shows elements that suggest “generating a scripted rule.”

Minton proposes rule modifications that would have applied to the on-line auction system of Franklin. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to add the rule modifications to Franklin, because addition of such modifications would have provided a means “*whereby individuals can buy and sell directly from each other. . . .*” (See Minton col. 2, ll. 46-57).

As per claim 20, Franklin in view of Minton shows the system of claim 15 (See the rejection of claim 15 supra).

Franklin (FIG. 1; col. 2, ll. 60-67; and col. 3, ll. 1-3) shows elements that suggest “a programmable auction server.”

Franklin (col. 3, line 12) shows a “*deterministic rule. . . .*”

Franklin does not explicitly show “transmitting a rule to a programmable auction server.”

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Minton (FIG. 1; FIG. 2; FIG. 4; FIG. 5; FIG. 6; FIG. 7; FIG. 10; FIG. 11; and FIG. 12) shows elements that suggest “transmitting a rule to a programmable auction server.”

Minton proposes rule modifications that would have applied to the on-line auction system of Franklin. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to add the rule modifications to Franklin, because addition of such modifications would have provided a means “*whereby individuals can buy and sell directly from each other. . . .*” (See Minton col. 2, ll. 46-57).

As per claim 21, Franklin in view of Minton shows the system of claim 15 (See the rejection of claim 15 supra).

Franklin (col. 3, ll. 4-58) shows elements that suggest submitting a bid.

Franklin does not explicitly show “maintaining the status of bids.”

Minton (FIG. 1; FIG. 2; FIG. 4; FIG. 5; FIG. 6; FIG. 7; FIG. 10; FIG. 11; and FIG. 12) shows elements that suggest “maintaining the status of bids.”

Minton proposes bid status modifications that would have applied to the on-line auction system of Franklin. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to add the bid status modifications to Franklin, because addition of such modifications would have provided a means “*whereby individuals can buy and sell directly from each other. . . .*” (See Minton col. 2, ll. 46-57).

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### **RESPONSE TO ARGUMENTS—MPEP 707.07(f)**

7. The following is an excerpt of MPEP 707.07(f): “Where the [A]pplicant traverses any rejection, the examiner should . . . take note of the [A]pplicant’s argument and answer the substance of it.”

Applicant's arguments filed 01/24/2002, “Amendment C” (paper #12) have been fully considered but they are not persuasive for the following reasons:

Applicant's arguments against the 35 U.S.C. §103(a) rejections fail to comply with 37 CFR 1.111(b) because they amount to a general allegation that the claims define a patentable invention; furthermore,

Applicant’s arguments against the 35 U.S.C. §103(a) rejections of independent claims 1, 15 & 22 and dependent claims 2, 5 & 23 fail to overcome said 35 U.S.C. §103(a) obviousness rejections; please see MPEP 2142 ESTABLISHING A PRIMA FACIE CASE OF OBVIOUSNESS (8th ed., August 2001) p. 2100-122 which says “First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.” In this case, the suggestion and motivation to modify are found in the Franklin reference, as well as in the knowledge generally available to one of ordinary skill in the art. Second the Franklin

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reference in view of the knowledge generally available to one of ordinary skill in the art proffers a reasonable expectation of success. Finally, the Franklin reference when combined with the knowledge of one of ordinary skill in the art suggests all the claim limitations to one of ordinary skill in the art.

Applicant's arguments against the 35 U.S.C. §103(a) rejections of dependent claims 9-10 and 16-21 fail to overcome said 35 U.S.C. §103(a) obviousness rejections; please see MPEP 2142 ESTABLISHING A PRIMA FACIE CASE OF OBVIOUSNESS (8th ed., August 2001) p. 2100-122 which says "First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations." In this case, the suggestion and motivation to combine and modify are found in both the Minton and Franklin references, as well as in the knowledge generally available to one of ordinary skill in the art. Second the Minton and Franklin references in view of the knowledge generally available to one of ordinary skill in the art proffer a reasonable expectation of success. Finally, the Minton and Franklin references when combined with each other, as well as, combined with the knowledge of one of ordinary skill in the art suggests all the claim limitations to one of ordinary skill in the art.

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### CONCLUSION

8. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

Washington, D.C. 20231

Any response to this action may be sent via facsimile to either:

(703) 746-7239 or (703) 872-9314 (for formal communications EXPEDITED PROCEDURE) or

(703) 746-7239 (for formal communications marked AFTER-FINAL) or

(703) 746-7240 (for informal communications marked PROPOSED or DRAFT).

Hand delivered responses may be brought to:

Sixth floor Receptionist

Crystal Park II

2121 Crystal Drive

Arlington, Virginia.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to John L. Young who may be reached via telephone at (703) 305-3801. The examiner can normally be reached Monday through Friday between 8:30 A.M. and 5:00 P.M.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, may be reached at (703) 305-8469.



Serial Number: 09/339,325

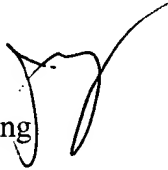
(Shoham et al.)

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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 305-3900.

John L. Young



Patent Examiner

February 5, 2002



**ERIC W. STAMBER  
PRIMARY EXAMINER**